

Message Text

UNCLASSIFIED

PAGE 01 IAEA V 00693 01 OF 03 251600Z

50

ACTION IO-14

INFO OCT-01 ISO-00 ACDA-19 CIAE-00 INR-10 L-03 NSAE-00

NSC-10 RSC-01 SCI-06 FEA-02 IOE-00 DRC-01 AF-10

ARA-16 EA-11 EUR-25 NEA-11 ABF-01 OMB-01 TRSE-00 /142 W

----- 088350

P 251341Z JAN 74

FM USMISSION IAEA VIENNA

TO SECSTATE WASHDC PRIORITY 3849

INFO AEC GERMANTOWN

UNCLAS SECTION 1 OF 3 IAEA VIENNA 0693

EO 11652: NA

TAGS: AORG, OCON, IAEA

SUBJ: IAEA BOARD OF GOVERNORS MEETING - FEBRUARY 12, 1974

1. SUMMARY: MOST DIFFICULT ITEM ON RATHER HEAVY AGENDA WILL BE EXTENSIVE PRELIMINARY DISCUSSION(ESPECIALLY BY LDC'S) OF DRAFT DG REPORT ON FINANCING OF TECHNICAL ASSISTANCE; NO FORMAL BOARD ACTION IS REQUESTED AT THIS SESSION. FINAL DECISION BY CONSENSUS STATEMENT IS EXPECTED ON DURATION/TERMINATION PROVISIONS OF SAFEGUARDS AGREEMENTS WITH NNWS'S OTHER THAN THOSE PURSUANT TO NPT. ASSUMING AGREEMENT WITH US, MEXICO AND YUGOSLAVIA IN TIME, BOARD WILL BE ASKED TO APPROVE FOR FIRST TIME, PROJECT AGREEMENTS FOR POWER REACTORS AND SUPPLY OF ENRICHMENT SERVICES THROUGH AGENCY FOR POWER REACTOR FUEL. BOARD WILL ALSO ACT ON RELATED AMENDMENT TO US-IAEA BILATERAL COOPERATION AGREEMENT, MEMBERSHIP APPLICATION FROM MAURITIUS AND SEVERAL OTHER RELATIVELY ROUTINE ITEMS, NONE OF WHICH EXPECTED POSE PROBLEMS. ACTION REQUESTED: INSTRUCTIONS FOR MEETING. END SUMMARY.

2. ADOPTION OF AGENDA: ALL ITEMS IN LIST OF ITEMS FOR PROVISIONAL AGENDA (GOV/1643) WILL PROBABLY HAVE BUSINESS UNDER THEM. NONE POSE PROBLEM FOR US. MISSION RECOMMENDS US AGREE TO AGENDA CONTAINING ITEMS LISTED IN GOV/1643.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 IAEA V 00693 01 OF 03 251600Z

3. AGENDA ITEM 1(A) - REPORT OF TA COMMITTEE: BOARD IS

REQUESTED TO TAKE NOTE OF TAC REPORT ON NOVEMBER 29 MEETING (IAEA VIENNA 10043), AND OF TAC APPROVAL OF IMPLEMENTATION OF PROJECTS IN 1974 AGENCY REGULAR TA PROGRAM (GOV/1639 AND ADD. 1, ADDENDUM PREVIOUSLY PUBLISHED AS GOV/COM.8/47/ADD.1). ONLY FORESEEABLE PROBLEM MAY COME FROM PARA 4 OF TAC REPORT; TAC (AT BEHEST INDIAN REP) INFORMS BOARD THAT \$1,256,800 WOULD BE REQUIRED TO MEET REQUESTS LISTED IN SCHEDULE C OF ADD.1, WHICH REQUIRED FURTHER STUDY. INDIAN REP SAID AT TAC THAT IF TAC APPROVED IMPLEMENTATION THESE PROJECTS, AS HE HAD PROPOSED, IT WOULD BE UP TO BOARD TO FIND MONEY FOR THEM. IF THIS RAISED AGAIN, MISSION PROPOSES, AS AT TAC, STRONGLY RESIST APPROVAL OF PROJECTS A) ON WHICH WE HAVE NO DETAILED DESCRIPTIONS AND B) FOR WHICH NO RESOURCES ARE EXPECTED TO BE AVAILABLE DURING 1974. MISSION SUGGESTION OF STATEMENT ON PROVISION OF TA TO AND CONTRIBUTIONS FROM OIL-EXPORTING COUNTRIES CONTAINED IAEA VIENNA 574. MISSION RECOMMENDS US APPROVE BOARD DECISION TAKING NOTE OF TAC REPORT AND ADDENDUM.

4. AGENDA ITEM 1(B) - REVISION ON GUIDING PRINCIPLES: PROPOSED REVISION, CONTAINED GOV/1644, IS FIRST SINCE PRINCIPLES APPROVED BY BOARD IN 1960. PRIMARY EFFECT IS TO BRING THEM AS MUCH AS POSSIBLE INTO LINE WITH UNDP RULES AND PRACTICES. DETAILED MISSION COMMENT SEPAIRGRAM (COPIES AIRMAILED IO/SCT-GALANTO AND AEC/IP-AMMONS). ONLY POTENTIAL PROBLEM FORESEEN BY MISSION IS POSSIBLE ATTEMPT BY SOME LDC'S TO MAKE RECORD JUSTIFYING ASSUMPTION BY DG (WHO DOES NOT WANT IT) OF UNDUE DEGREE OF "FLEXIBILITY" IN CHANGING PROJECTS AFTER BOARD HAS APPROVED THEM. IF TOO MANY LDC'S MAKE SUCH STATEMENTS, MISSION PROPOSES THAT US, ALONG WITH OTHER DONORS, BALANCE RECORD BY SUPPORTING REVISIONS AS PROPOSED BY SECRETARIAT AND RESISTING UNDUE GRANT OF BOARD AUTHORITY TO DG TO APPROVE CHANGES IN NATURE OF APPROVED PROJECTS. MISSION RECOMMENDS US SUPPORT ADOPTION OF REVISIONS OF GUIDING PRINCIPLES AS CONTAINED IN GOV/1644.

5. AGENDA ITEM 1(C) - FINANCING OF TA: DRAFT OF STUDY BY DG, ON WHICH BOARD DISCUSSION WILL BE BASED, CONTAINED GOV/1648, TRANSMITTED WITH DETAILED MISSION COMMENTS SEPAIRGRAR (COPY AIRMAILED IO/SCT-GALANTO). ORIGINAL SECRETARIAT DRAFT WAS CHANGED SUBSTANTIALLY FOR BETTER, FROM US VIEWPOINT, DURING UNCLASSIFIED

UNCLASSIFIED

PAGE 03 IAEA V 00693 01 OF 03 251600Z

JANUARY INFORMAL CONSULTATIONS. NEW DRAFT OMITS CONCLUSIONS, WITH INTENTION OF DRAWING THEM FROM DISCUSSION AT THIS MEETING FOR PRESENTATION TO JUNE BOARD, BUT IT CONTAINS CLEAR PRESUMPTION THA
E E E E E E E

ADP000
UNCLASSIFIED

PAGE 01 IAEA V 00693 02 OF 03 251609Z

42

ACTION IO-14

INFO OCT-01 ISO-00 ACDA-19 CIAE-00 INR-10 L-03 NSAE-00

NSC-10 RSC-01 SCI-06 FEA-02 IOE-00 DRC-01 AF-10

ARA-16 EA-11 EUR-25 NEA-11 ABF-01 OMB-01 TRSE-00 /142 W

----- 088488

P 251341Z JAN 74

FM USMISSION IAEA VIENNA

TO SECSTATE WASHDC PRIORITY 3850

INFO AEC GERMANTOWN

UNCLAS SECTION 2 OF 3 VIENNA 0693

A&B COMMITTEE MEETING IN APRIL. MISSION RECOMMENDATIONS FOR US STATEMENT THIS ITEM CONTAINED IN SEPAIRGRAM. NO FORMAL BOARD ACTION IS REQUESTED BY DG, AND MISSION SUGGESTS THAT US RESIST ANY ATTEMPT TO TAKE ANY AT THIS MEETING.

6. AGENDA ITEM 2 - SAFEGUARDS:

A. DURATION/TERMINATION PROVISIONS: SEPTEMBER BOARD MEETING DEFERRED ACTION ON GOV/1621 UNTIL FEBRUARY. INFORMAL CONSULTATIONS IN INTERIM HAVE PRODUCED GENERAL AGREEMENT AMONG MOST GOVERNORS TO CONSENSUS STATEMENT BY CHAIRMAN (TEXT CONTAINED PARA 3 IAEA VIENNA 9822). MISSION RECOMMENDS US JOIN IN ACCEPTANCE OF AGREED CONSENSUS STATEMENT BY BOARD.

B. AGREEMENTS WITH HAITI AND NICARAGUA: THESE AGREEMENTS PURSUANT NPT AND TLATELOLCO TREATY APPROVED ONLY PROVISIONALLY BY SEPTEMBER BOARD (IAEA VIENNA 7995) DUE LACK OF TIMELY CIRCULATION OF FULL TEXTS. DG WILL REPORT ORALLY THAT IN ACCORDANCE WITH SEPTEMBER DECISION, HE PROCEEDED TO CONCLUDE AGREEMENTS ONE MONTH AFTER CIRCULATION OF FULL TEXTS, NO GOVERNOR HAVING OBJECTED TO THEM. NO FURTHER BOARD ACTION REQUIRED.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 IAEA V 00693 02 OF 03 251609Z

C. AGREEMENTS: GOV/1640 CONTAINS STANDARD TYPE SAFEGUARDS AGREEMENT PURSUANT NPT WITH THAILAND. AGREEMENT WITH PANAMA PURSUANT TIATELOLCO TREATY (IAEA VIENNA 0263) WILL NOT RPT NOT BE BROUGHT TO

BOARD UNTIL JUNE; PANAMANIAN ACCEPTANCE OF MODIFICATIONS NOT YET RECEIVED, AND TIMELY CIRCULATION OF TEXT NO LONGER POSSIBLE. FYI: SINCE HAITI-NICARAGUA SITUATION IN SEPTEMBER, DG HAS BECOME CAREFUL ASSURE TIMELY CIRCULATION BEFORE BOARD MEETINGS OF SAFEGUARDS AGREEMENTS AND OTHER DOCUMENTS, AND HAS ADVISED SECRETARIAT OF HIS OPPOSITION TO BRINGING SAFEGUARDS AGREEMENTS TO BOARD WHERE DOCUMENTS NOT OUT THIRTY DAYS BEFORE MEETING EXCEPT IN FACE VERY SPECIAL CIRCUMSTANCES. END FYI. IN ADDITION, BOARD MAY CONSIDER AMENDMENT OF US-IAEA-SPAIN TRILATERAL IF SUBMITTED IN TIME (SEE SEPTELS). MISSION RECOMMENDS US APPROVE AGREEMENT WITH THAILAND, AND SPANISH TRILATERAL IF LATTER SUBMITTED.

D. STAFF OF INSPECTORATE: GOV/1645 CONTAINS DG REQUEST FOR AUTHORIZATION USE SIX STAFF MEMBERS AS INSPECTORS. ONE (WILSON) IS US NATIONAL RECENTLY TRANSFERRED TO SAFEGUARDS FROM REACTORS DIVISION. BIO DATA ON REMAINING FIVE CONTAINED IAEA VIENNA 7862 AND 0443. UNLESS OBJECTION PERCEIVED BY INTERESTED USG AGENCIES, MISSION RECOMMENDS US AGREE TO REQUESTED AUTHORIZATION.

7. AGENDA ITEM 3 - REACTOR PROJECTS: NONE OF THREE RESEARCH REACTOR PROJECTS DISCUSSED STATE 248127 WILL BE BROUGHT TO BOARD; LEGAL DIVISION STAFF HAS BEEN SO FULLY OCCUPIED WITH MEXICAN (AND ROMANIAN AGREEMENT WHICH WILL NOT RPT NOT BE SUBJECT OF BOARD ACTION AT THIS MEETING) AGREEMENT THAT DG ELECTED TO ALLOW AGREEMENTS TO LAY UNTIL JUNE RATHER THAN ASK BOARD TO ACT ON BASIS LATE CIRCULATION. AGENCY NEGOTIATION OF PROJECT AGREEMENT WITH MEXICO FOR LAGUNA VERDE POWER REACTOR EXPECTED TO BE COMPLETED SHORTLY. HEALTH AND SAFETY ANNEX RECEIVED ESPECIALLY CAREFUL SECRETARIAT CONSIDERATION SINCE THIS WILL BE FIRST AGENCY PROJECT
UNCLASSIFIED
UNCLASSIFIED

PAGE 03 IAEA V 00693 02 OF 03 251609Z

AGREEMENT COVERING POWER REACTOR AND CAN BE EXPECTED TO SET NUMEROUS PRECEDENTS, INCLUDING REQUIRED H&S PROVISIONS. NEGOTIATION OF ACCOMPANYING SUPPLY AGREEMENT BETWEEN MEXICO, AGENCY AND US COVERING PROVISION OF URANIUM ENRICHMENT SERVICES SUBJECT SEPTELS. ASSUMING AGREEMENT REACHED AMONG PARTIES, SUPPLY AND PROJECT AGREEMENTS WILL BE BROUGHT TO BOARD (DG IS AWARE OF URGENCY AND WILL WAIVE HIS REQUIREMENT FOR TIMELY CIRCULATION OF DOCUMENTS). FINALLY, MISSION UNDERSTANDS THAT YUGOSLAVIA WILL WISH SIMILAR AGREEMENTS FOR KRSKO POWER REACTOR AND FUEL SUPPLY. AGENCY REPORTS NO RPT NO REQUEST YET RECEIVED FROM YUGOSLAVIA, BUT ONCE REQUEST IS MADE, YUGOSLAVIA WILL PRESUMABLY

FOLLOW SAME PATTERN AS REACHED IN MEXICAN CASE. MISSION
WILL PREPARE STATEMENT WELCOMING AGREEMENTS AND

UNCLASSIFIED

NNN

UNCLASSIFIED POSS DUPE

PAGE 01 IAEA V 00693 03 OF 03 251636Z

50

ACTION IO-14

INFO OCT-01 ISO-00 IOE-00 ACDA-19 CIAE-00 INR-10 L-03

NSAE-00 NSC-10 RSC-01 SCI-06 FEA-02 DRC-01 AF-10

ARA-16 EA-11 EUR-25 NEA-11 ABF-01 OMB-01 TRSE-00 /142 W

----- 088822

P 251341Z JAN 74

FM USMISSION IAEA VIENNA

TO SECSTATE WASHDC PRIORITY 3851

INFO AEC/GERMANTOWN PRIORITY

UNCLAS SECTION 3 OF 3 IAEA VIENNA 0693

NOTING THAT CONSIDERATION BY US AND BOARD WAS EXPEDITED AND SIMPLIFIED BY FACT THAT BOTH ARE NPT PARTIES. STATEMENT WILL STRESS ESPECIALLY IMPORTANCE WE ATTACH TO APPLICATION OF AGENCY HEALTH AND SAFETY MEASURES IN CONNECTION THESE PROJECTS, AND EXPRESSING CONFIDENCE THAT SECRETARIAT AND CONCERNED GOVERNMENTS WILL ENSURE FULL AND CORRECT IMPLEMENTATION SUCH STANDARDS. ASSUMING MEXICO, AND/OR YUGOSLAVIA AGREEMENTS BROUGHT TO BOARD, MISSION RECOMMENDS US APPROVAL.

8. AGENDA ITEM 4 - IAEA COOPERATION AGREEMENT WITH US: FORMLA LETTER TO DG CONTAINING US AGREEMENT TO TEXT OF AMENDMENT SENT JAN 16; BOARD DOCUMENT HAS BEEN CIRCULATED (GOV/1649), AND COPIES AIRMAILED TO IO/SCT-GALANTO AND AEC/IP-AMMONS. COPIES OF SIGNATURE TEXT WILL BE SENT AS SOON AS AVAILABLE. PER STATE 8589, NO FURTHER GUIDANCE REQUIRED.

9. AGENDA ITEM 5 - APPLICATION FOR MEMBERSHIP: APPLICATION FROM MAURITIUS CONTAINED GOV/1641 (TRANSMITTED IAEA VIENNA A-676). ASIDE FROM USUAL STATEMENTS OF WELCOME, MISSION AWARE OF NO LIKELY DISCUSSION OR OBJECTION. MISSION RECOMMENDS US JOINT CONSENSUS RECOMMENDING THAT GENERAL CONFERENCE IN SEPTEMBER 1974 APPROVE APPLICATION.

10. AGENDA ITEM 6 - EMOLUMENTS OF STAFF:

A. REPRESENTATION ALLOWANCES: GOV/1642 PROPOSES THAT DG AND
UNCLASSIFIED
UNCLASSIFIED

PAGE 02 IAEA V 00693 03 OF 03 251636Z

DDG'S RECEIVE SUCH ALLOWANCES NOT RPT NOT EXCEEDING THOSE IN PREVIOUS YEARS. MISSION RECOMMENDS US APPROVAL.

B. PROFESSIONAL AND HIGHER SALARY SCALES: GOV/1646 (COPIES AIRMAILED IO/SCT-GALANTO AND AEC/IP-AMMOND) CONTAINS NEW PROFESSIONAL AND HIGHER SALARY SCALE AND TABLE OF POST ADJUSTMENT CLASSES DESIGNED TO APPLY IN IAEA DECISION BY LAST UNGA TO CONSOLIDATE FIVE CLASSES OF POST ADJUSTMENT INTO GROSS BASE SALARY SCALES AND TO SHIFT BASE FOR COMPUTATION OF POST ADJUSTMENT FROM GENEVA IN JANUARY 1969 TO NEW YORK IN DECEMBER 1969. BOARD DECISION TO ADOPT THESE SCALES WOULD BE RETROACTIVE TO JANUARY 1, 1974. WHICH WOULD BRING AGENCY SALARY SCALE BACK INTO LINE WITH REST OF UN COMMON SYSTEM (INCLUDING UNIDO IN VIENNA, WHICH IS ALREADY UNDER NEW SCALE). NET EFFECT OF THIS CHANGE IS TRIVIAL ADDITION TO MOST PROFESSIONAL TOTAL EMOLUMENTS, WITH VERY FEW IN P-1 RANGE RECEIVING MINIMAL REDUCTIONS; DG ESTIMATES TOTAL FINANCIAL IMPACT FOR 1974 AT \$70,000, WHICH WILL BE ABSORBED THROUGH SAVINGS. MISSION RECOMMENDS US APPROVAL OF NEW SALARY AND POST ADJUSTMENT SCALES.

C. GS/M&O SALARY SCALES: GOV/1647 CONTAINS PROPOSED NEW GS/M&O SALARY SCALES REFLECTING ADJUSTMENTS BASED ON RECENTLY-COMPLETED COMPREHENSIVE SURVEY (FIRST SINCE 1972) OF PREVAILING CONDITIONS OF EMPLOYMENT OF 3000 EMPLOYEES IN 26 FIRMS (INCLUDING US EMBASSY) IN VIENNA DURING NOVEMBER 1973. SURVEY SHOWED THAT OUTSIDE SCALES AVERAGED 6.7 PERCENT HIGHER FOR GS-EQUIVALENT AND 9.4 PERCENT HIGHER FOR M&O-EQUIVALENT POSITIONS, WHICH REQUIRED THIS REVISION IN VIEW AGENCY STAFF REFUTATIONS' PROVISION THAT GS/M&O SALARIES REFLECT BEST PREVAILING CONDITIONS OF EMPLOYMENT IN LOCALITY CONCERNED. SURVEY WAS CONDUCTED JOINTLY WITH UNIDO, AND NEW SCALES WILL APPLY IN BOTH ORGANIZATIONS. REQUIRED ADJUSTMENTS RANGE FROM 2.2 PERCENT FOR G-7 TO 15.5 PERCENT FOR G-3, AS DETAILED IN DOCUMENT. TOTAL FINANCIAL IMPLICATIONS ESTIMATED BY DG AS \$300,000 OF WHICH \$80,000 ALREADY PROVIDED IN 1974 BUDGET; DOCUMENT STATES THAT DG WILL MAKE EVERY EFFORT TO ABSORB REMAINING \$220,000 THROUGH ECONOMIES. MISSION HAS REQUESTED COPY OF FULL REPORT OF SURVEY OF CONDITIONS OF EMPLOYMENT, AND WILL VERIFY CONCLUSIONS SUMMARIZED IN GOV/1647. SUBJECT TO COMPLETION THIS VERIFICATION TO OUR SATISFACTION, MISSION RECOMMENDS US APPROVE NEW GS/M&O SALARY SCALES PROPOSED BY DG.

1. AGENDA ITEM 7 - FUTURE MEETINGS OF BOARD: NEXT REGULAR MEETING SCHEDULED FOR JUNE 12, 1974. MISSION RECOMMENDS US APPROVE THIS
UNCLASSIFIED
UNCLASSIFIED

PAGE 03 IAEA V 00693 03 OF 03 251636Z

SCHEDULE.PORTER

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 25 JAN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974IAEAV00693
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: IAEA VIENNA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740116/aaaaaopq.tel
Line Count: 331
Locator: TEXT ON-LINE
Office: ACTION IO
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 7
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 21 FEB 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <21 FEB 2002 by elbezefj>; APPROVED <30 APR 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: IAEA BOARD OF GOVERNORS MEETING - FEBRUARY 12, 1974
TAGS: AORG, OCON, IAEA
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005